

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.:** 2010-1558-WQ-E **TCEQ ID:** RN105671531 **CASE NO.:** 40266  
**RESPONDENT NAME:** American Water Operations and Maintenance, Inc.

Page 1 of 2

<b>ORDER TYPE:</b>		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input checked="" type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> American Water Operations and Maintenance, in the main cantonment area near Belton Lake located at Fort Hood, Bell and Coryell Counties</p> <p><b>TYPE OF OPERATION:</b> Domestic and industrial wastewater collection system</p> <p><b>SMALL BUSINESS:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on January 24, 2011. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Mr. Harvey Wilson, Enforcement Division, Enforcement Team 3, MC 149, (512) 239-0321; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495  <b>Respondent:</b> Mr. Mike Taylor, Operations Supervisor, American Water Operations and Maintenance, Inc., 4653 72nd Street Extension, Fort Hood, Texas 76544  Mr. James Sheridan, Vice President, American Water Operations and Maintenance, Inc., 4653 72nd Street Extension, Fort Hood, Texas 76544  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

DOCKET NO.: 2010-1558-WQ-E

## VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<b>Type of Investigation:</b> <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review  <b>Date(s) of Complaints Relating to this Case:</b> None  <b>Date of Investigation Relating to this Case:</b> May 17, 2010  <b>Date of NOV/NOE Relating to this Case:</b> August 4, 2010 (NOE)  <b>Background Facts:</b> This was a routine investigation.  <b>WATER</b>  Failed to prevent the discharge of untreated wastewater into or adjacent to water in the state. Specifically, on May 17, 2010, approximately 82,800 gallons of untreated wastewater were discharged from the manhole near the lift station into Clear Creek due to the malfunction of the controller switch at the lift station, resulting in approximately 774 fish being killed [TEX. WATER CODE § 26.121(a)(1)].	<b>Total Assessed:</b> \$3,750  <b>Total Deferred:</b> \$0 <input type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay  <b>SEP Conditional Offset:</b> \$0  <b>Total Paid to General Revenue:</b> \$3,750  <b>Compliance History Classification:</b> Person/CN – Average Site/RN – High  <b>Major Source:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <b>Applicable Penalty Policy:</b> September 2002  <b>Findings Orders Justification:</b>  Environmental receptors have been exposed to pollutants which exceed levels that are protective.	<b>Corrective Actions Taken:</b>  The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility by May 18, 2010:  a. Removed the discharged debris and sanitized the area around the manhole, and removed the sludge and wastewater from Clear Creek; and  b. Modified the electrical controls to float switches, replaced the faulty alarm dialer, and purchased a spare pump.

Additional ID No(s): WQ000223000



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

<b>DATES</b>	<b>Assigned</b>	16-Aug-2010	<b>Screening</b>	20-Aug-2010	<b>EPA Due</b>	
	<b>PCW</b>	23-Aug-2010				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	American Water Operations and Maintenance, Inc.
<b>Reg. Ent. Ref. No.</b>	RN105671531
<b>Facility/Site Region</b>	9-Waco
<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>		<b>No. of Violations</b>	1
<b>Enf./Case ID No.</b>	40266	<b>Order Type</b>	Findings
<b>Docket No.</b>	2010-1558-WQ-E	<b>Government/Non-Profit</b>	Yes
<b>Media Program(s)</b>	Water Quality	<b>Enf. Coordinator</b>	Harvey Willson
<b>Multi-Media</b>		<b>EC's Team</b>	Enforcement Team 3
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>		<b>Subtotal 1</b>	\$5,000
<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>			
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the Indicated percentage.			
<b>Compliance History</b>	0.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$0
<b>Notes</b>	No adjustment for Compliance History.		
<b>Culpability</b>	No 0.0% Enhancement	<b>Subtotal 4</b>	\$0
<b>Notes</b>	The Respondent does not meet the culpability criteria.		
<b>Good Faith Effort to Comply Total Adjustments</b>		<b>Subtotal 5</b>	\$1,250
<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
Total EB Amounts	\$2		
Approx. Cost of Compliance	\$11,837	*Capped at the Total EB \$ Amount	
<b>SUM OF SUBTOTALS 1-7</b>		<b>Final Subtotal</b>	\$3,750
<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>		0.0% Adjustment	\$0
Reduces or enhances the Final Subtotal by the Indicated percentage.			
<b>Notes</b>			
		<b>Final Penalty Amount</b>	\$3,750
<b>STATUTORY LIMIT ADJUSTMENT</b>		<b>Final Assessed Penalty</b>	\$3,750
<b>DEFERRAL</b>	0.0% Reduction	<b>Adjustment</b>	\$0
Reduces the Final Assessed Penalty by the Indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)			
<b>Notes</b>	No deferral is recommended for Findings Orders.		
<b>PAYABLE PENALTY</b>			\$3,750

Screening Date 20-Aug-2010

Docket No. 2010-1558-WQ-E

PCW

Respondent American Water Operations and Maintenance, Inc

Policy Revision 2 (September 2002)

Case ID No. 40266

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN105671531

Media [Statute] Water Quality

Enf. Coordinator Harvey Willson

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgments or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

No adjustment for Compliance History.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 0%

Screening Date 20-Aug-2010

Docket No. 2010-1558-WQ-E

PCW

Respondent American Water Operations and Maintenance, Inc.

Policy Revision 2 (September 2002)

Case ID No. 40266

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN105671531

Media [Statute] Water Quality

Enf. Coordinator Harvey Wilson

Violation Number 1

Rule Cite(s)

Texas Water Code § 26.121(a)(1)

Violation Description

Failed to prevent the discharge of wastewater into or adjacent to water in the state. Specifically, on May 17, 2010, approximately 82,800 gallons of untreated wastewater were discharged from the manhole near the lift station into Clear Creek due to the malfunction of the controller switch at the lift station, resulting in approximately 774 fish being killed.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 50%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to pollutants which exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$5,000

\$5,000

## Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one  
with an x

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$5,000

One daily event is recommended.

## Good Faith Efforts to Comply

25.0% Reduction

\$1,250

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent returned to compliance on May 18, 2010

Violation Subtotal \$3,750

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$2

Violation Final Penalty Total \$3,750

This violation Final Assessed Penalty (adjusted for limits) \$3,750

# Economic Benefit Worksheet

Respondent: American Water Operations and Maintenance, Inc.  
 Case ID No: 40266  
 Reg. Ent. Reference No: RN105671531  
 Media: Water Quality  
 Violation No: 1

Percent Interest: 5.0  
 Years of Depreciation: 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount  
 Item Description: No commas or \$

## Delayed Costs

Equipment	\$10,337	17-May-2010	18-May-2010	0.00	\$0	\$2	\$2
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	\$0	\$0
Record Keeping System				0.00	\$0	\$0	\$0
Training/Sampling				0.00	\$0	\$0	\$0
Remediation/Disposal	\$1,500	17-May-2010	18-May-2010	0.00	\$0	\$0	\$0
Permit Costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for DELAYED costs

The actual cost of removing the spill around the manhole and the sludge from the creek, plus the cost of obtaining a back-up skid pump, modifying the electrical controls, and replacing the faulty alarm dialer. Date Required is the date of the discharge. Final Date is the date of compliance.

## Avoided Costs

### ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$11,837

TOTAL

\$2

## Compliance History Report

Customer/Respondent/Owner-Operator: CN603437039 AMERICAN WATER OPERATIONS AND MAINTENANCE, INC. Classification: AVERAGE Rating: 0.45

Regulated Entity: RN105671531 AMERICAN WATER OPERATIONS AND MAINTENANCE Classification: HIGH Site Rating: 0.00

ID Number(s): AIR NEW SOURCE PERMITS REGISTRATION 54052

Location: in the main cantonment area near Belton Lake at Fort Hood in Bell and Coryell Counties, Texas

TCEQ Region: REGION 09 - WACO

Date Compliance History Prepared: October 04, 2010

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: October 04, 2005 to October 04, 2010

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Harvey Wilson Phone: (512) 239 - 0321

### Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership/operator of the site during the compliance period? No
3. If Yes, who is the current owner/operator? N/A
4. If Yes, who was/were the prior owner(s)/operator(s)? N/A
5. When did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2010 Repeat Violator: NO

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.  
N/A
- B. Any criminal convictions of the state of Texas and the federal government.  
N/A
- C. Chronic excessive emissions events.  
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)  
1 11/16/2009 (779043)  
2 08/10/2010 (830526)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)  
N/A
- F. Environmental audits.  
N/A
- G. Type of environmental management systems (EMSs).  
N/A
- H. Voluntary on-site compliance assessment dates.  
N/A
- I. Participation in a voluntary pollution reduction program.  
N/A
- J. Early compliance.  
N/A
- Sites Outside of Texas





# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
AMERICAN WATER OPERATIONS  
AND MAINTENANCE, INC.  
RN105671531**

**§ BEFORE THE  
§  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2010-1558-WQ-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding American Water Operations and Maintenance, Inc. ("the Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent, presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

### **I. FINDINGS OF FACT**

1. The Respondent operates a municipal wastewater collection system in the main cantonment area near Belton Lake located at Fort Hood in Bell and Coryell Counties, Texas (the "Facility").

2. The Respondent has discharged municipal waste into or adjacent to any water in the state in violation of TEX. WATER CODE ch. 26.
3. During an investigation on May 17, 2010, TCEQ staff documented the discharge of wastewater into or adjacent to water in the state. Specifically, approximately 82,800 gallons of untreated wastewater were discharged from the manhole near the lift station into Clear Creek due to the malfunction of the controller switch at the lift station, resulting in approximately 774 fish being killed.
4. The Respondent received notice of the violation on August 9, 2010.
5. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility by May 18, 2010:
  - a. Removed the discharged debris and sanitized the area around the manhole, and removed the sludge and wastewater from Clear Creek; and
  - b. Modified the electrical controls to float switches, replaced the faulty alarm dialer, and purchased a spare pump.

## **II. CONCLUSIONS OF LAW**

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE chs. 7 and 26 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to prevent the discharge of untreated wastewater into or adjacent to water in the state, in violation of TEX. WATER CODE § 26.121(a)(1).
3. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of Three Thousand Seven Hundred Fifty Dollars (\$3,750) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid the Three Thousand Seven Hundred Fifty Dollar (\$3,750) administrative penalty.

### III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Three Thousand Seven Hundred Fifty Dollars (\$3,750) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: American Water Operations and Maintenance, Inc., Docket No. 2010-1558-WQ-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
3. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
4. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
5. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature

could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

7. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

  
For the Executive Director

Date 1/10/2011

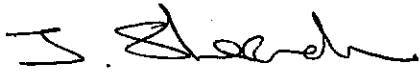
I, the undersigned, have read and understand the attached Agreed Order in the matter of American Water Operations and Maintenance, Inc. I am authorized to agree to the attached Agreed Order on behalf of American Water Operations and Maintenance, Inc., and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, American Water Operations and Maintenance, Inc. waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
Signature

17 NOVEMBER 2010  
Date

JAMES SHERIDAN  
Name (Printed or typed)  
Authorized Representative of  
American Water Operations and Maintenance, Inc.

VICE PRESIDENT  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section III, Paragraph 1 of this Agreed Order

